

TO: Chair Bogner and Members of the Economic Affairs Interim Committee
 FROM: Director Scott Osterman
 DATE: September 6, 2022
 RE: Propose Commerce Legislation for Review

Dear Chair Bogner and members of the Economic Affairs Interim Committee:

The Department of Commerce (DOC) respectfully requests the Committee review the following legislative proposals for early introduction to the 2023 legislative session. This session Commerce is proposing legislation to modernize our work and update housekeeping items. Commerce staff will be available at the Committee's September 13, 2022 meeting to answer any questions about the proposals.

| | Bill | Description | Division/Board |
|---|---|---|---------------------------|
| 1 | Revise bond allocation plan | Housekeeping – Eliminates statutory set aside percentages to allow bond issuance as needed and removes outdated references in code. | Housing MT BOI MFFA |
| 2 | Eliminate L&C license plate pass through | Housekeeping – Eliminates DOC as an unnecessary middle party to distribute funds statutorily designated for certain entities from Dept. of Revenue. Red tape review proposal. | Brand MT |
| 3 | Update MFFA public hearing requirements | Housekeeping – Aligns Montana Facility Finance Authority (MFFA) hearing requirements with modern federal regulations in Tax Equity & Fiscal Responsibility Act. | MFFA |
| 4 | Authorize STIP investment for NACS Account | Housekeeping – Allows DOC to retain interest on the Gap financing program also known as the Native American Collateral Support (NACS) Program and to invest in Short Term Investment Pool (STIP) with Board of Investments (BOI). | Business MT |
| 5 | Create statutory appropriation for Indian Tourism | Housekeeping – Removes barriers arising from the need to rely on projections of available bed tax funding used by State Tribal Economic Development Commission (STED) in its programs. | Business MT |
| 6 | Remove MFFA's bond issuance cap | Modernize – Removes arbitrary cap and eliminates barriers to access low-cost tax-exempt financing. | MFFA |
| 7 | Expand MFFA's availability of services | Modernize – Allow MFFA to serve as a private activity bond issuer for a wider range of eligible projects such as broadband deployment and industrial development projects. | MFFA |
| 8 | Modernize Big Sky Economic Development Program | Modernize – Simplifies certain application requirements to expand business access to program, increases funding per job created and allows for workforce recruitment instead of training. | Business MT |
| 9 | Expand Montana Exports | Modernize – Increase funding and expand capacity to access additional federal funding | Business MT |

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| | | opportunities and increase export sales and business development activities. | |
| 10 | Revise Distressed Wood Products Program | Modernize – Eliminate “distressed” business designation and federal funds match requirements to open program for more wood product businesses. | Business MT |
| 11 | Revise Tourism Advisory Council structure | Modernize – Revise / cap number of board members to nine. | Brand MT |
| 12 | Increase statutory funding for SBDC Program | Modernize – Increase funding to expand Small Business Development Center (SBDC) program capacity and serve more Montana small business owners and entrepreneurs. | Business MT |

